Commodities Declared Free from Quantitative Restrictions for Import

2955. SHRI P.K. MAHESHWARI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of commodities which have been declared free from the quantitative restrictions for import during the last two years;

(b) what was the compulsion or agreement for doing so; and

(c) whether this step will affect the Indian industries especially the small scale industry?

THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN): (a) to (c) Import restriction on 894 items (at 8 digit level) were removed on 31.03.99 and the restrictions on 714 items (at 8 digit level) have been removed on 31.03.2000. The notifications containing details of the commodities, on which QRs have been removed, are available in the Parliament Library.

India has been following a continuous policy of removal of import restrictions since 1991, as part of economic liberalization policy and in accordance with India's commitment to multi lateral trading arrangements.

Even after removal of quantitative restrictions, all imports in the country are subject to the applicable rates of customs duties and subject to provision of all other domestic laws, rules, orders etc. This should provide adequate protection to the domestic producers. However, the government is constantly monitoring the imports and is absolutely determined to ensure through the appropriate use of tariff and other mechanisms to ensure that the imports do not cause any serious detriment or injury to the domestic producers, including SSI sector. Towards that end, the government has increased the customs duty on a number of items, where *a surge in* imports was noticed or apprehended. The government has also constituted an Inter Ministerial Group under the chairmanship of Commerce Secretary to study the impact of QR removal. Besides, a Group of Ministers has been entrusted with the task of suggesting ways and means of strengthening the SSI sector.

Sick Industrial Units in Kashmir

2956. SHRI RAMACHANDRAIAH RUMANDLA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that 528 industrial units have been declared sick in Kashmir;

(b) if so, the reasons for inadequate financing of the units;

(c) the demands made by the Federation Chamber of Industries of Kashmir in this regard; and

(d) the action taken on their demands?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN): (a) to (d) Data on sick industrial units, assisted by banks in the country, is compiled by the Reserve Bank of India (RBI). According to the RBI, 7 non-SSI units and 630 Small Scale Industries (SSI) units have been identified as sick in the State of Jammu & Kashmir, having outstanding bank credit of Rs. 8.62 crores and Rs. 12.76 crores respectively as at the end of March, 1999.

The Government has taken a number of steps for revival of sick industrial units which, *inter alia*, include guidelines of Reserve Bank of India to banks, amalgamation of sick units with healthy units, setting up of Board for Industrial and Financial Reconstruction (BIFR) under the Sick Industrial Companies (Special Provisions) Act, 1985, National Equity Fund etc. Extension of credit to such units is within the parameters of the above-mentioned steps for revival of sick industrial units.

The demands made by the Federation Chamber of Industries have received attention of the Jammu & Kashmir Government. The State Government has issued guidelines and package of incentives for development of industrial sector. These packages have been framed after consultation with the industry Associations.

Free Trade Zone in Rajasthan

2957. SHRI AIMADUDDIN AHMAD KHAN (DURRU): Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government propose to set up a Free Trade Zone in Rajasthan;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN): (a) to (c) According to the present policy, Government of India